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Wednesday, 15 October 2003, 10.30 a.m.

New York

President:	Mr. Negroponte	(United States of America)
Members:	Angola	Mr. Gaspar Martins
	Bulgaria	Mr. Tafrov
	Cameroon	Mr. Tidjani
	Chile	Mr. Maquieira
	China	Mr. Wang Guangya
	France	Mrs. D'Achon
	Germany	Mr. Pleuger
	Guinea	Mr. Sow
	Mexico	Mr. Pujalte
	Pakistan	Mr. Akram
	Russian Federation	Mr. Konuzin
	Spain	Ms. Menéndez
	Syrian Arab Republic	Mr. Atieh
	United Kingdom of Great Britain and Northern Ireland	Mr. Thomson

Agenda

The situation in Timor-Leste

Report of the Secretary-General on the United Nations Mission of Support in East Timor (S/2003/944)

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03-55878 (E)

The meeting was called to order at 10.55 a.m.

Adoption of the agenda

The agenda was adopted.

The situation in Timor-Leste

Report of the Secretary-General on the United Nations Mission of Support in East Timor (S/2003/944)

The President: I should like to inform the Council that I have received letters from the representatives of Australia, India, Italy, Japan, Malaysia, New Zealand, the Philippines, Portugal, Singapore and Timor-Leste, in which they request to be invited to participate in the discussion of the item on the Council's agenda. In conformity with the usual practice, I propose, with the consent of the Council, to invite those representatives to participate in the discussion without the right to vote, in accordance with the relevant provisions of the Charter and rule 37 of the Council's provisional rules of procedure.

There being no objection, it is so decided.

At the invitation of the President, Mr. Guterres (Timor-Leste) took a seat at the Council table; at the invitation of the President, the representatives of the other aforementioned countries took the seats reserved for them at the side of the Council Chamber.

The President: In accordance with the understanding reached in the Council's prior consultations, and in the absence of objection, I shall take it that the Security Council agrees to extend an invitation under rule 39 of its provisional rules of procedure to Mr. Kamalesh Sharma, Special Representative of the Secretary-General for Timor-Leste and Head of Mission.

There being no objection, it is so decided.

I invite Mr. Sharma to take a seat at the Council table.

The Security Council will now begin its consideration of the item on its agenda. The Council is meeting in accordance with the understanding reached in its prior consultations.

Members of the Council have before them document S/2003/944, which contains the report of the Secretary-General on the United Nations Mission of Support in East Timor.

At this meeting, the Security Council will hear a briefing by Mr. Kamalesh Sharma, Special Representative of the Secretary-General for Timor-Leste and Head of Mission.

I welcome Mr. Sharma once again to the Council; I now give him the floor.

Mr. Sharma: It is a pleasure, Sir, to address the Council under your presidency, once again on the situation in Timor-Leste.

Since I last addressed the Council, in April this year, the mandate of the United Nations Mission of Support in East Timor (UNMISET) has been extended by the Council for another year, and the Mission now terminates on 20 May 2004. As my final statement before the Council will be on the eve of the conclusion of the Mission, I take this opportunity both to assess the situation in important areas of security and governance within UNMISET's mandate and to anticipate areas of continuing support post-UNMISET to which the Council is expected to give closer scrutiny early next year.

In the 17 months since UNMISET's establishment, the advances and gains made by Timor-Leste have been remarkable, particularly given the paucity of means and experience at the starting point. The country has made a determined start in various aspects of governance: open leadership, the enactment of legislation, the rehabilitation of infrastructure, responsible development planning and budgetary discipline, promoting the country's regional and global integration and, most important, commitment to democratic norms and personal freedoms. UNMISET and United Nations agencies and bilateral and multilateral partners have played a supportive role in strengthening the institutions of State, in advancing economic and social objectives and in enhancing State security. The example and wisdom of the leadership of East Timor — particularly President Kay Rala Xanana Gusmão, Prime Minister Mari Alkatiri, President of the National Parliament Francisco Guterres and Foreign Minister José Ramos-Horta — have been a decisive element in the confident and mature start provided to nation-building within the compressed period since independence. The progress made has been detailed in

the report of the Secretary-General (S/2003/944) now before the Council.

Even as we rightfully acknowledge the achievements, we must be cognizant that, in its current, nascent stage, the State will inevitably have areas of concern requiring both sustained attention on the part of State actors and continuing engagement and support on the part of development partners. While there have been no major security challenges over the past six months, reports persist of alleged sightings of armed groups by residents in rural areas and of the presence of criminal elements in those areas, particularly in the border districts. There is a risk that these may increase as downsizing progresses. A repetition of the incidents that took place in the earlier part of the year has to be prevented. In urban areas, civil disturbances, including sporadic violence among such groups as martial arts groups and youth gangs, and incidents related to smuggling, extortion and robbery carry the potential of undermining public perception of security. There is, therefore, legitimate concern as to potential threats to stability in rural and urban areas alike and there is particular nervousness among residents of border areas as the efforts to neutralize elements that can cause mischief and exert pressure on security in the border areas are still not complete.

There is apprehension lest capabilities be tested in the post-UNMISET period. The psychological and substantive requirements to preserve confidence in security arrangements, including mobility, particularly in the sensitive areas, will therefore be a priority consideration in assessing the longer-term needs of stability and security. It is important to appreciate that, in the backdrop of recent traumatic history, the consequences of violent incidents can be deeply unsettling and undermine public confidence.

The National Police of Timor-Leste (PNTL) now bear the responsibility for general policing duties in 12 out of the 13 districts. The entire national territory will be handed over operationally to the PNTL before the end of the year. During the last 17 months, UNMISET has not only continued with the training of the National Police force in Timor-Leste, but has also made concerted efforts, working closely with the Government of Timor-Leste, to strengthen the force, including its special units. A comprehensive plan of action has been prepared as a road map that addresses policy, administrative and legislative measures recommended by the joint assessment mission on the police. While intensified efforts in the next months will address certain institutional, training and performance issues, longer-term measures will require an increased effort by the Government, supported by the international community, to buttress the continued development of the PNTL as a professional, efficient and accountable force serving the people of Timor-Leste.

PNTL is a young and as yet inexperienced police service and it is doubtful that it will be able to respond effectively if it is tested by major internal security challenges in the period immediately following closure of UNMISET. It needs to mature and develop without being continually tested to the point at which it could falter, shaking its confidence and that of the community it serves. Operational support and further mentoring and training in specialized and professional policing skills will be required on a longer-term basis, as well as external reinforcing capability in sufficient strength in the areas identified.

Maintenance of professional standards in the fledgling police force is a core concern. There have been several incidents of breach of discipline and code of conduct and excessive use of force. Ensuring that police officers abide by human rights standards and maintain professional standards is a priority. The establishment of clear standard operating procedures and continued training on human rights and ethics need to be accompanied by effective disciplinary structures. I have been in frequent contact with the leadership on these matters, which is in complete agreement that decisive action needs to be taken to ensure discipline in and respect of human rights by the police force. Concrete action is envisaged in this regard.

The handover of defence responsibilities to the Government of Timor-Leste will take place at the end of UNMISET's mandate on 20 May 2004. The East Timor Defence Force is currently responsible only for one district, thus allowing the Defence Force to continue to focus on capability-development and individual and collective training activities. The development of the Defence Force continues to rely primarily on support from bilateral partners willing to provide equipment, training and facilities and will continue to do so for the foreseeable future. Given the programme of capability-development, it is understood that the Defence Force is not likely to become fully operational at required professional standards at the battalion level until around 2005-2006.

The military component of UNMISET has continued to downsize according to the revised schedule that was approved in Security Council resolution 1473 (2003). As they withdraw from the border areas, the Timorese agencies, particularly the border patrol unit of the National Police, are taking on increasing responsibilities for border management. The members of the unit have performed commendably in the last few months at all the border crossing points that they have taken over from the Peacekeeping Force of the United Nations Transitional Administration in East Timor, despite the handicaps they face in terms of logistics, availability of facilities in the remote border areas and equipment. UNMISET is working with the Government of Timor-Leste to address these shortcomings so that the unit can be self-sustaining. All junction points will be in the hands of the border patrol unit by the end of the month.

The rapid deployment service of PNTL, once trained and functional, will provide a response capability to deal with armed criminal groups in rural and border districts. Despite best efforts, however, it is not likely that these two crucial units, responsible for border and internal security, will have the confidence or maturity to handle security challenges independently by the end of UNMISET's mandate. They will continue to need advice and support as they exercise their new-found abilities. Apart from the requirement of support by specialized units, there are other areas in policing requiring support related to continuing professionalization, civilian supervision and additional capacities, such as the areas of forensics, transnational crime, counter-terrorism and trafficking, which will require continuing international cooperation.

Until Timorese security agencies are fully trained and equipped to perform the tasks currently undertaken by UNMISET's military component, international assistance in some form may also be necessary beyond the period of UNMISET's mandate. They could advise and mentor the Timorese security agencies in the various tasks of monitoring and managing the border, including assisting in liaison and thus enhancing cooperation with Indonesian security agencies at the border and providing psychological support to a population not yet prepared for complete withdrawal of the reassuring international presence.

I wish at this time to draw the attention of the Council to the very useful and necessary work that the engineers in UNMISET's military component have been doing in maintaining the major arteries of the road system in Timor-Leste. Without continued international support for this task, capacity for rapid response to security challenges post-UNMISET would be rapidly degraded all over the country. In the absence of aviation, rail and coastal traffic, the lack of reliable road links would in effect entail physical fragmentation and all its social, economic and security consequences. Continuing support and capacity-building in this area is essential to build on the excellent start made by the Japanese self-defence engineering group.

The evolving relationship between Timor-Leste and its only land neighbour, Indonesia, is a primary asset in the rapid and confident evolution of the nationhood of Timor-Leste. Constructive and cooperative relations between the two countries have continued to develop, mature and strengthen in diverse fields, and the exchange of high-level visits has reinforced them. Prime Minister Alkatiri visited Indonesia in June, and Foreign Minister Wirayuda of Indonesia visited Timor-Leste for the second meeting of the Joint Commission in September 2003.

The holding of two Joint Commission meetings in close succession attests to the desire to advance the substantive relationship. The political direction guiding the relationship from both sides is strong and forward-looking. UNMISET has attempted to contribute to this as appropriate, consistent with its mandate. As on previous occasions, I must again record my deep appreciation for the warm reception, supportiveness and high-level access accorded me by the leaders and officials concerned of Indonesia.

Both sides are cooperating, with mutual goodwill and cooperation, in the settlement of the border negotiations, residual refugee issues and the continuation of pension payments to former Indonesian civil servants. Finalization of the agreement on the land border between Timor-Leste and Indonesia is a key priority for both Governments. At the recent meeting of the Joint Ministerial Commission, both parties agreed to finalize agreement on the provisional border line by 30 November 2003, leading to an interim report of the joint border survey. However, meeting this deadline, although consistent with the latest work plan agreed at the technical level, will require additional efforts on both sides.

The two Governments are in touch with each other on the approaches required to tackle the question

of the residual refugees, which is important for the normalization of the border. As I stated earlier, accomplishing the formidable task of repatriating and resettling the bulk of the refugees through collaborative efforts between the two countries, supported by United Nations agencies concerned, has been a truly remarkable example of cooperation, which deserves to be better applauded. UNMISET, the Office of the United Nations High Commissioner for Refugees and the International Organization for Migration stand ready to assist both sides, as required. The resettlement of refugees, particularly the ex-militia elements, away from the border with Timor-Leste would also reduce a potentially destabilizing factor.

UNMISET has continued to provide support to the core administrative structures of the Government of Timor-Leste in 18 ministries, as stipulated in the mandate implementation plan, through its stability advisers. They have undertaken skills transfer and mentoring of Timorese counterparts, and assisted the Government in the delivery of essential services to the public. This process has on occasion been affected by the lack of enabling legal frameworks and of essential basic knowledge of the counterparts. It is clear that although the training provided to Timorese civil servants, both in the country and abroad, has helped to broaden the skills base, they will in many cases require further training courses in specific areas, both at home and abroad, with the assistance of bilateral and multilateral partners.

Following a recent needs assessment undertaken jointly by the Government of Timor-Leste, UNMISET and the United Nations Development Programme (UNDP) to ascertain the requirements of the Administration in the post-UNMISET period, the Government of Timor-Leste has identified some critical functions which it considers will require continued international support. Without international advisers in identified critical posts, the functioning of State institutions and public administration would be jeopardized. Since reliance on bilateral funding has produced mixed results, a reliable source of funding for critical posts identified for continuing support would need to be assured.

The vital institution of the judiciary is another critical area which will require continued international support. I need not emphasize the importance of a functioning justice system for ensuring the primacy of the rule of law. As the Secretary-General told the Security Council on 24 September in the ministerial-level meeting under the agenda item, "Justice and the Rule of Law: the United Nations role":

> "We have learned that the rule of law delayed is lasting peace denied and that justice is a handmaiden of true peace." (*S/PV.4833, p.3*)

The debate reiterated the centrality of the rule of law in the success or failure of peacekeeping operations and the nation State. The coherence of a State based on the rule of law and the outcome of other State functions depends upon the integrity of, and efficient delivery by, the judiciary — hence the need for the Council to ensure a continuing focus on and support for this area until the judiciary is firmly established as a pillar of the State.

It is widely acknowledged that the justice sector in Timor-Leste, which has had to be created virtually from scratch, is currently largely dysfunctional and must overcome many challenges. The myriad tasks include dealing with excessive delays in the courts; recruiting additional administrative staff; continued and consistent training for personnel, including judges; drafting and approval of key legislation; and the establishment of independent and transparent oversight mechanisms for the prisons.

The deficiencies in the justice sector are also having unintended secondary effects on police development and law and order enforcement. The Government, UNMISET and UNDP have completed reviews of the justice sector and developed a comprehensive justice sector support programme, identifying areas most in need of support from the international community. This crucial sector deserves and requires the continuing financial, training and human resources backing of the international community. Shortcomings in this sector have to be addressed in a holistic manner; ad hoc or short-term solutions will not suffice.

The problems that plague the justice sector also affect the delivery of justice in the serious crimes process. The schedule outlined in the mandate implementation plan for UNMISET indicated an expectation of completion of investigations by UNMISET's Serious Crimes Investigation Unit and the filing of indictments in respect of 10 identified priority cases, as well as of five additional investigations into widespread patterns of violence, by June 2003. The indictment in the tenth priority case was filed in early

July. The first-instance judicial process in respect of the 10 priority cases and the five concerning widespread patterns of violence may be completed by June 2004, provided all the trials can commence. However, it is clear that appellate procedures cannot be completed within that time frame.

Furthermore, the additional case load of some 850 murders, which fall into the category of serious crimes, will remain uninvestigated by June 2004. Some 75 per cent of those accused of serious crimes to date remain beyond the jurisdiction of the Special Panels in Dili, since they reside outside Timor-Leste. These factors, including the orientation of the Government of Timor-Leste, will need to be carefully evaluated with a view to taking appropriate decisions as UNMISET completes its mandate.

Social peace, security and stability are, of course, a prerequisite for sustainable gains in areas of governance and economic development. UNMISET also continues to work closely with the wider United Nations system of agencies, funds and programmes, and international financial institutions, as well as bilateral actors and civil society, in support of national programmes. I would like once again to acknowledge the sterling support given to me by Deputy Special Representative of the Secretary-General and Resident Coordinator Sukehiro Hasegawa.

As Timor-Leste moves forward in the longer-term process of nation-building, it faces formidable challenges in creating a favourable climate for sustainable social and economic development. In order to develop the private sector, the Government has taken steps to establish a legal framework for insurance companies. Key economic legislation, such as investment and company registration laws and the bankruptcy bill, is under consideration. Once promulgated, those laws are expected to augment investor confidence and strengthen economic growth. Still, transforming an agrarian and largely subsistence economy into a market economy generating jobs and entrepreneurial capacities will be a challenge for decades to come, nurtured by policies to encourage agricultural productivity and desired investments, lift trading volumes, increase the pace of activity and transactions and build professional services and a middle class.

I would like to emphasize the importance of continuing the process of inculcating and promoting a culture of respect for human rights in different activities, of which the Government is fully supportive. UNMISET's Human Rights Unit has contributed immensely to that process by training and advising and through capacity-building in the major institutions of the State, such as the judiciary, the police, and also in civil society. The role of the Human Rights Unit has been critical, not only for improving the quality of governance, but in supporting the work of the United Nations agencies in Timor-Leste. A human rights presence in the post-UNMISET period will continue to be needed to provide technical assistance to the Government in meeting its treaty obligations, establishing a national human rights institution, reviewing and developing legislation, mainstreaming human rights policy-making across the Government and in developing and implementing the National Human Rights Action Plan.

Timor-Leste has ratified the Convention on the Elimination of All Forms of Discrimination against Women (CEDAW). Training and activities for its implementation are ongoing with the assistance of UNMISET's focal point for gender and the United Nations Development Fund for Women (UNIFEM), which has reopened its office in Dili, and the Government is preparing the first report to the CEDAW Committee. The gender focal point in UNMISET is actively leveraging all resources to pursue the tasks ahead. Strong proactive measures have been taken to effectively deal with the emerging ills of prostitution and trafficking before they are allowed to attain unmanageable proportions.

A brief word on HIV/AIDS: the incidence of HIV among the Timor-Leste population remains lower than 1 per cent. Nevertheless, UNMISET has taken several steps to spread awareness of the disease and is the only peacekeeping mission to provide voluntary counselling and testing services. We also encouraged and organized the visit by an HIV-positive person to the mission area to share his testimony as a prevention and behavioural change strategy.

With seven months remaining in the mandate of UNMISET, we will, together with the Government of Timor-Leste, redouble our efforts to realize all the objectives in the mandate implementation plan. Notwithstanding those efforts, however, it is clear that many emerging and some continuing needs will remain. The Timorese leadership and representatives of civil society, both national and international, with

whom I have had intensive consultations, have conveyed to me their strong belief that the impressive progress made so far through a comprehensive association with the United Nations should not be jeopardized in the absence of adequate support mechanisms, based on assured funding, after the completion of the mandate of UNMISET. That view is shared by many partner countries. Given the traumatic experiences of Timor-Leste's recent past, the nascent and fragile state of the new emerging institutions, the as yet unsettled security situation and the daunting challenges of nation-building, they have clearly indicated to me the centrality of the requirement of a continued United Nations presence to provide both psychological assurance and substantive support in the immediate post-UNMISET period. The Council will no doubt take all considerations into account in deciding on the best way in which the legitimate requirements of the country, guided also by Secretary-General's forthcoming report, could be ensured in the post-May 2004 period, even as UNMISET proceeds with the plans for a smooth liquidation of the mission, in which respect all timely and requisite measures have been taken.

UNMISET has also designed a training programme which will give an opportunity to develop new skills to our Timorese colleagues who will be affected by the downsizing process. The programme is designed to effectively leverage opportunities that could ultimately foster further development of the private sector, entrepreneurship and sustainable livelihoods.

The Secretary-General, in his report on the work of the Organization, stated that,

> "Peacekeeping and peace-building are two sides of the same coin, providing as they do assistance to societies emerging from conflict so that they can consolidate their fragile peace" (*A/58/1, para. 39*).

The process of strengthening the foundations for a lasting and stable peace, of fostering a culture of self-reliance and democracy and of building a State in which the people have choices and opportunities to enjoy a decent standard of living and in which their lives and property will be safe, within a society that respects human rights and the rule of law, has achieved remarkable progress but will continue to remain our challenge in Timor-Leste.

Mr. Wang Guangya (China) (*spoke in Chinese*): At the outset, I would like to thank the Secretary-General for his report (S/2003/944) and Special Representative of the Secretary-General Mr. Sharma for his briefing.

Over the past six months, the security situation in Timor-Leste has improved. Great strides have been made towards the country's economic and social development. Its external relations have also made steady progress. The overall situation is indeed encouraging. We congratulate the Government and people of Timor-Leste for their achievements and appreciate the efforts made by Mr. Sharma and the United Nations Mission of Support in East Timor (UNMISET). At the same, we can only cherish even more deeply the memory of Mr. Vieira de Mello, who made an outstanding contribution to Timor-Leste.

As a fledgling State, Timor-Leste is still faced with numerous difficulties and challenges in various areas, such as ensuring national security and maintaining and promoting economic and social development. Improving Timor-Leste's capacity in public administration, establishing and completing its justice system and building the police and national defence forces are tasks that especially require long-term efforts. The United Nations and the international community should continue to provide support to Timor-Leste to help the country ultimately achieve total self-reliance. We reiterate our support for the work of UNMISET. We hope that UNMISET will make full use of the remaining time of its mandate and will continue to make positive efforts for the nation-building of Timor-Leste. Moreover, we support the Secretary-General's proposal. We believe that the international community should begin considering the transitional arrangement to follow the end of the UNMISET mandate.

We encourage UNMISET and the United Nations bodies concerned to carry out close consultations with the Government of Timor-Leste, and on the basis of an assessment of the conditions of the country, to submit in a timely manner specific recommendations regarding the post-UNMISET period. At present, there is a trend of gradual decline in the foreign aid provided to Timor-Leste, which has affected the dynamism of the country's economic growth. We call on the donor countries, the United Nations system and international financial institutions to maintain their levels of

assistance to Timor-Leste to ensure that Timor-Leste will embark on the path of sustainable development.

China has always supported the people of Timor-Leste in their cause of independence and nation-building. We support the work of UNMISET. We will commit ourselves to the development of economic and trade cooperation with Timor-Leste in areas such as gas and oil development, agriculture and fisheries. We will continue to provide assistance for the economic reconstruction of Timor-Leste within the limits of our capabilities.

Mr. Tafrov (Bulgaria) (*spoke in French*): Before beginning my statement, I would like to extend the condolences of my delegation and my country on the killing of three United States diplomats in the Gaza Strip. Bulgaria categorically condemns this heinous terrorist act.

I would like to thank the Secretary-General for his report of 6 October 2003 (S/2003/944), and to thank his Special Representative, Ambassador Kamalesh Sharma, for his efforts on behalf of the international community and for his excellent work. The extensive and detailed analysis that he has just made is, once again, evidence of his dedication to his work. I also take this opportunity also to pay once again a most earnest tribute to the valuable contribution made to Timor-Leste by the unforgettable Sergio Vieira de Mello.

As an associated country of the European Union, Bulgaria fully aligns itself with the statement to be made soon by the representative of Italy on behalf of the Union. I would like to make a few brief comments in my national capacity.

My country welcomes the efforts of the Timorese Government to build a State of law based on the principles of democracy and respect for human rights. We greatly appreciate the Government's "open governance" initiative and President Gusmão's "open presidency" initiative. Those initiatives reflect a clear commitment to the process of building a responsible and representative network to govern the country.

In that context, we also welcome the resumption of the work of the Court of Appeal. Bulgaria agrees with the conclusions of the report of the Secretary-General of 6 October 2003 (S/2003/944). It should be noted that, despite the praiseworthy efforts of the United Nations Mission of Support in East Timor (UNMISET) and of local bodies, the Timorese Government continues to face serious problems and challenges. My country agrees with the view that the United Nations must find the best way to support Timor-Leste following the expiration of the UNMISET mandate.

Bulgaria supports Timor-Leste's policy to develop relations with neighbouring countries. Active dialogue with the Republic of Indonesia testifies to the determination of the two countries to develop fruitful cooperation. Bulgaria hopes that the two countries will seek the best solutions to unresolved issues — the demarcation of land and sea borders and facilitating cross-border transit with West Timor for those who live in the border region.

In conclusion, I would like to say that my country greatly appreciates the positive contribution made in Timor-Leste by such countries as Australia, Portugal and Japan.

Mr. Akram (Pakistan): I would like to thank Ambassador Kamalesh Sharma for his comprehensive briefing on the situation in Timor-Leste and for updating us on the progress made by the United Nations Mission of Support in East Timor (UNMISET). I would like to express our high appreciation to Ambassador Sharma for UNMISET's efforts in assisting Timor-Leste's transition to a fully independent nation-State. I think it would be timely for all of us to recall the great contribution made in the initiation and the establishment of this process in Timor-Leste by the late Sergio Vieira de Mello.

The UNMISET mandate is due to expire in seven months. While the mission has made considerable progress thus far, especially in three key programmes — stability, democracy and justice; internal security and law enforcement; and external security and border control — several challenges still remain. Some of these challenges will outlive UNMISET. Therefore, it is important that the role and responsibility of the United Nations should not simply end with the withdrawal of UNMISET. We agree with the Secretary-General's recommendation that an objective assessment of the country's future needs should be carried out, followed by the submission by the Secretariat of appropriate suggestions on the future role of the United Nations in Timor-Leste. We would look forward to any suggestions and recommendations from the Secretariat and Ambassador Sharma in that

regard. It is vital that the painstaking achievements of UNMISET and, before it, of the United Nations Transitional Administration in East Timor, should be sustained and further built upon.

Indeed, with the assistance of UNMISET and the international community, Timor-Leste has made remarkable progress since its independence in May 2002. However, a large part of the credit for that success must go to the people and the leadership of Timor-Leste. We congratulate the Government of Timor-Leste on its achievements, despite difficult circumstances. We appreciate in particular President Gusmão's bold initiative to encourage reconciliation among the Timorese people. We hope that the Government of Timor-Leste will strive to heal the deep wounds of the past, both internal and external.

Pakistan believes that the development of close and friendly relations between Timor-Leste and Indonesia is of the utmost importance and that it will be in the best interest of both countries. We welcome the agreement concluded between the Governments of Indonesia and Timor-Leste this September on the common border, which is a major step in enhancing the security of Timor-Leste. We call on both sides to work together to resolve any outstanding problems and to strengthen regional cooperation. Such cooperation can be an example for other parts of the world as well.

In our view, the most imposing long-term challenge confronting Timor-Leste will be the promotion of economic prosperity. We agree with the Secretary-General's report that international assistance should continue and will be indispensable. However, this is required not only in support of the UNMISET mandate, but also in facilitating Timor-Leste's economic recovery. Our hope is that the international community will continue to assist the country to stand on its own feet, even after the departure of UNMISET.

In spite of the many challenges before it, Timor-Leste is a United Nations success story. Above all, it is a seminal case demonstrating the successful implementation of the principle of self-determination by the United Nations. There are other peoples, especially the people of Jammu and Kashmir, who await the opportunity to exercise their right to self-determination, as promised and prescribed in Security Council resolutions. We hope that the United Nations and the international community, building on the success story of Timor-Leste, will bend their efforts to bring the principle of self-determination to, and implement the resolutions of the Security Council in, the case of Jammu and Kashmir as well.

Ms. Menéndez (Spain) (*spoke in Spanish*): I would like to express our gratitude for the Secretary-General's report on the United Nations Mission of Support in East Timor (UNMISET) and for Mr. Sharma's briefing.

Spain endorses the statement to be made by the delegation of Italy on behalf of the European Union. I shall therefore limit my comments.

First, the progress made by Timor-Leste, with UNMISET's support during its first year and a half, is tremendous and gives good reasons for hope. The foundation has been laid for a democratic, independent State that respects human rights, is integrated at the regional level and maintains good relations with all the States in the area.

However, much remains to be done. Accordingly, Timor-Leste must continue to receive support from the United Nations. As the Secretary-General's report says, in a number of areas requirements will remain outstanding after the conclusion of UNMISET's mandate and that in other areas, international assistance will continue to be indispensable. We look forward to hearing the suggestions that the Secretariat will put forward at the beginning of next year to deal with the outstanding requirements after 20 May 2004.

In this connection, Spain considers that the United Nations should continue to have a smaller presence or mission with a clear-cut mandate approved by the Security Council to consolidate the achievements made to date, complete the remaining tasks and achieve the goals set. The mission could include, for example, several dozen military and police observers and an appropriate number of advisers. The financial implications of such a presence would be relatively small; it would require a very slight additional effort compared to what has been made to date, but one that is indispensable to the success of Timor-Leste.

The continued progress in bilateral relations with Indonesia is very encouraging. We particularly welcome the near conclusion of the land border delimitation and the commitment of both Governments to resettle Timor-Leste nationals who remain in

western Timor and to facilitate the return of refugees who wish to go back.

With regard to the crimes committed in 1999 in Timor-Leste, Indonesia took an important step forward by bringing the perpetrators of human rights violations before its Ad Hoc Human Rights Tribunal, but we are disappointed by the conduct of the trials at the court of first instance, which ended on 5 August. The Indonesian judicial authorities must guarantee that the appeals process is transparent and consonant with international norms to ensure that justice is served.

Spain welcomes the commitment by the Government of Timor-Leste to human rights. We also welcome the progress made, thanks to assistance by UNMISET, in bringing to justice the perpetrators of grave crimes. We hope that the national Parliament will adopt the legislation on the office of the prosecutor and human rights so that it can begin to operate as soon as possible.

We would also like to mention the resumed work of the appeals court, after more than a year of paralysis, and the bill on the election of mayors and municipal councils.

Mrs. D'Achon (France) (*spoke in French*): I, too, thank the Special Representative of the Secretary-General, Mr. Kamalesh Sharma, for the very detailed information he has just given us and to welcome the representative of Timor-Leste.

My comments, which will be brief, are in support of the statement to be made on behalf of the European Union by the Permanent Representative of Italy. France fully associates itself with that statement.

The latest report of the Secretary-General shows that the action of the United Nations, which has been strengthened since May 2003, and of the people and Government of Timor-Leste and their neighbours has led to significant progress in the development of the country's institutional, economic and social capacities and to its full inclusion in the international community. France welcomes this and commends all the parties involved.

Until May 2004, the United Nations Mission of Support in East Timor (UNMISET) will focus more and more on peace-building and development of the country's capacities by the transfer of responsibilities to Timor-Leste. International assistance should be matched by the active determination of the Timorese to fully implement their new autonomy.

France is nevertheless aware of the need for some form of international support to be maintained after May 2004, and is open to proposals in that regard. A clear distinction should, however, be drawn between UNMIS T and the subsequent United Nations presence. The main aim of international assistance should be then, even more than today, the development of Timorese capacities in sectors where this is necessary. It would be premature to name all those sectors now, but some, such as the police and justice, already seem clear. With regard to security as well, a needs assessment will be more relevant in the months leading up to the May 2004 deadline.

In any case, international assistance, will mean coordinated action by the various agencies of the United Nations system, particularly the World Bank and the United Nations Development Programme. Moreover, it should be given in accordance with a complete and definitive exit strategy, which has yet to be formulated.

It is therefore important for the Secretariat to inform the members of the Council and the donor community about the situation foreseen in May 2004 both in terms of security and other spheres of public life. In this connection, the report of the Secretary-General scheduled for early 2004 should give us detailed information for analysis, which would enable the Council to decide with a full knowledge of the facts.

Mr. Pleuger (Germany): I join other delegations in thanking the Secretary-General for his latest report on the situation in Timor-Leste. Our thanks also go to Mr. Kamalesh Sharma for today's excellent and very informative briefing and to him and his team for his very important and dedicated work.

Germany fully endorses the statement to be made later in this discussion by Italy as the presidency of the European Union.

Germany welcomes and fully supports the efforts of the Government of Timor-Leste under President Gusmão, assisted by the United Nations, to consolidate the young political institutions and to ensure and uphold democratic institutions and the rule of law, while building the new nation. We note with appreciation the stabilization of the overall security

environment in Timor-Leste, as confirmed by the Secretary-General's latest report. In this context, we welcome the fact that the build-up of the national police of Timor-Leste is broadly on track and that the national police, although its capabilities and resources remain limited, has assumed responsibility for routine policing in all districts except Dili, where the handover is scheduled to take place in January 2004. We take this as confirmation that the downsizing plan, as laid out in resolution 1473 (2003), has proved to be realistic.

Germany welcomes the continued strengthening of relations between Timor-Leste and Indonesia, particularly regarding the important question of demarcation and regulation of the common border. We salute the recent joint statement instructing the joint border committee to finalize agreement on the international land boundary by 30 November 2003, and we urge all concerned to ensure that this time line is met. In our view, the establishment of good-neighbourly relations with Indonesia is a key prerequisite for the successful development of the young State of Timor-Leste.

Germany welcomes the progress made in strengthening the political and administrative institutions of Timor-Leste, as outlined in the Secretary-General's report (S/2003/944). We concur with the Secretary-General that special focus should be placed on the speedy resolution of the question of past serious crimes, and that continued international assistance is necessary for the building of an effective civil administration.

We should also like to highlight the importance of an adequate judicial system and of the enhanced promotion of the rule of law as essential elements of the new democracy. We fully share Kamalesh Sharma's analysis, given to us today. We feel that an adequate judicial system is the basis for all: for progress in peace-building and in political, social and economic development.

In spite of the achievements of the past three years and in spite of continued progress, there are still major tasks to be accomplished in the months and years ahead. Our clear objective remains a stable democratic Timor-Leste, independent of international assistance. However, Germany recognizes that even after the United Nations Mission of Support in East Timor (UNMISET) has successfully concluded its mandate in May 2004, the international community will have to provide continued support to Timor-Leste.

Therefore, we fully agree with the Secretary-General and with Mr. Sharma that it is timely to take stock of what has been achieved so far and to begin considering the best means through which the country's needs can be met after the UNMISET withdrawal and how best to preserve the success story which Timor-Leste represents for the international community. In that respect, we look forward to the Secretary-General's report and proposals to the Security Council to be issued in early 2004.

Mr. Gaspar Martins (Angola): Mr. President, I too would like to start by joining other colleagues in thanking you for convening this meeting on Timor-Leste and in thanking our good friend Mr. Kamalesh Sharma for coming back to us with a very good report on the situation in Timor-Leste.

Angola greatly appreciates the progress accomplished by Timor-Leste since national independence, in all spheres of life. Those important achievements show the unequivocal will and determination of the people of Timor-Leste for peace, democracy and a future of progress and prosperity. By showing real commitment and flexibility in dealing with the situation in Timor-Leste, the Security Council has been making an outstanding contribution to the stabilization and consolidation of the territory's independence. Timor-Leste will need to count on the unwavering support of the international community, and it is our expectation that the Security Council will remain in the forefront of the efforts to make Timor-Leste a modern, democratic and stable society.

Important developments took place in Timor-Leste during the past month, on which we were briefed this morning by Mr. Sharma. The political situation has improved steadily; political institutions are functioning normally and have expanded to the local level. This is shown by the elections of village leaders and the "open presidency" policy, which brings political power to grass-roots dialogue.

My delegation welcomes the improvement of relations between Timor-Leste and Indonesia. The joint discussions that are taking place on various important questions, such as border delimitation on land and at sea and the reform of the judicial institutions, are palpable contributions to the strengthening of the political situation in Timor-Leste.

The improvement in the security situation is another important development which we hope becomes a sustained fact of life in Timor-Leste. In that regard, my delegation fully supports the efforts of the United Nations Mission of Support in East Timor (UNMISET) and of the National Police of Timor-Leste's institutional strengthening committee in their administrative and legislative work towards improving the efficiency of the National Police and expanding its role to include the entirety of the national territory. We support the recommendations contained in the Secretary-General's report (S/2003/944) with regard to making further efforts to develop appropriate institutional and legal frameworks and thereby to assure an open and democratic police force, in which recruitment is based on merit.

We fully support the efforts of the Government of Timor-Leste to ensure the presence of the rapid deployment police unit for as long as necessary and until the Timorese are sufficiently confident to perform the task that this unit has been performing. This is an investment that the international community should continue to make in order to ensure that the investment made in the building of the State of Timor-Leste succeeds fully.

The key issues of external security and territorial integrity also provide positive elements in the overall assessment of the situation. Nevertheless, a lot remains to be done in developing the Timorese armed forces, through an increase in their contingent and through capacity-building. The cooperation of UNMISET's military component remains a vital element and should be stepped up, with a view to guaranteeing the internal security of Timor-Leste after UNMISET's departure.

Great challenges still face the young nation of Timor-Leste. The difficult economic situation, aggravated by drought, is a cause of serious concern to which special attention should be paid. It is vital to maintain the continued commitment of bilateral donors and assistance from other institutions, such as the World Bank, the United Nations Development Programme, and the World Food Programme, to promote the rehabilitation of the infrastructure, to enhance public services and to ensure food security. We join the appeal of the Secretary-General to the international community for support in implementing the efforts of UNMISET for the successful conclusion of its mandate.

The economic and social policies pursued by the Government of Timor-Leste with a view to establishing suitable economic legislation, the incentives for job creation, the development of vocational training, the strengthening of investor confidence and the encouragement of economic growth are indeed sound policies that have already produced rewarding results. It is our conviction that, in the medium and long term, they will have a great impact on the economic and social life of the population of Timor-Leste.

It is our expectation that the United Nations will continue the sustained peace-building efforts in Timor-Leste, in particular by addressing the most pressing issues of security and stability, by increasing the capacity of democratic institutions, by ensuring the rule of law and freedom of movement and by strengthening the economy and a sustained civil administration.

Finally, I should like to take this opportunity once again to commend the Government of Timor-Leste and to reiterate our friendship to the people of that country — a people whose aspirations and dreams are deeply shared by the people of Angola.

Mr. Sow (Guinea) (*spoke in French*): I would like at the outset to thank Mr. Kamalesh Sharma, the Special Representative of the Secretary-General, for the important information he has just given us and for the outstanding work that the United Nations Mission of Support in East Timor (UNMISET) is doing under his guidance.

Two and a half months after the attacks against United Nations headquarters in Baghdad, we cannot discuss UNMISET without recalling Mr. Sergio Vieira de Mello, who, as the Special Representative of the Secretary-General and head of the United Nations Transitional Administration in East Timor (UNTAET), built confidence in the United Nations Mission in that country by laying the foundations of a viable State. My delegation would like to take this opportunity to pay tribute to him posthumously.

My delegation takes note of the report before us, which gives a detailed description of the situation in the field. It welcomes the favourable political developments that have taken place in the country, particularly those based on the idea of proximity — the "open presidency" programme and the national dialogue on open governance begun by President Gusmão. We hope that these efforts will be successful.

Effective cooperation among the executive, legislative and judicial branches in the management of the country makes clear the determination and will of the authorities to resolve problems by working together. We are also encouraged by the contacts established between the Timorese authorities and those of neighbouring countries with a view to resolving outstanding issues and to consolidating their relations. We welcome also Timor's becoming a member of United Nations organizations, institutions, bodies and specialized agencies.

With respect to the contribution made by the United Nations, my delegation welcomes the considerable progress that has been made towards achieving the objectives set out in UNMISET's mandate. However, we believe that there are lessons to be learned and that an exit strategy should be devised that will enable the Timorese to take charge on a long-term basis.

With regard to Programme I, on stability, democracy and justice, my delegation appreciates the support given to public administration, specifically through the recruitment and training of civil servants, with a view to the transfer of skills. We note that the question of resources is indispensable in the achievement of UNMISET's objectives, with a view to addressing the needs of the Timorese Administration.

In this connection, we urge donors to honour their commitments, so as to avoid any delay in the deployment of advisers. This will make it possible to fill posts in a timely fashion.

With regard to assistance in the conduct of investigations of serious crimes, we encourage the prosecution of such crimes and call on all actors involved in the process to cooperate with the competent judicial bodies. We welcome the extension by the Parliament of the mandate of the Commission for Truth, Reception and Reconciliation, whose activities we deeply appreciate.

Programme II, on internal security and law enforcement, remains an equally important aspect of the work that must be accomplished. My delegation appreciates the relative calm that has prevailed during this period in question, which was due to the efforts undertaken by the National Police of Timor-Leste and its cooperation with UNMISET police. We encourage the reinforcement of the institutional and operational capacities of that police force, which will enable it to shoulder its responsibilities in accordance with international norms and to ensure security and order throughout the territory on a long-term basis.

We urge both the Timorese and Indonesian authorities to revitalize their cooperation in order to ensure border security. Moreover, we would like to point out the increased cooperation between the military forces of UNMISET, international police and the Timorese armed forces, as well as the National Police of Timor-Leste, in implementing Programme III, on external security and border control. Such cooperation should continue.

We would suggest that the international community, and the United Nations in particular, ensure that the transfer of defence-related responsibilities to the Government of Timor-Leste, scheduled for 20 May 2004, is accompanied by measures that will enable it to take up its responsibilities.

In another vein, my delegation notes with concern the difficulties impeding the implementation of socio-economic programmes in Timor-Leste. We consider that the contraction in gross domestic product by at least 3 per cent in 2002-2003, and a further contraction of 2 per cent in the current fiscal year, can be attributed to declining donor contributions, a reduction in the United Nations presence, and the relative stagnation of commercial activities. Indeed, these factors give rise to some questions.

For that reason, we would like to ask Mr. Sharma to be so kind as to give some additional explanations about the support of the institutions, bodies and specialized agencies of the United Nations system for economic and social policies in Timor-Leste.

The international community made tremendous sacrifices in the cause of peace, security and development in Timor-Leste, which must continue so that the Timorese can fully shoulder their responsibilities when the United Nations Mission comes to a conclusion. My delegation takes note of the recommendations of the Secretary-General, which it supports, and awaits with interest the additional suggestions that the Secretariat intends to publish in a report at the beginning of 2004.

Mr. Konuzin (Russian Federation) (*spoke in Russian*): We are grateful to the Special Representative of the Secretary-General, Mr. Kamalesh Sharma, for

the detailed information he has given us on developments in Timor-Leste, and we welcome the stabilization of the situation in that country.

We welcome the successes achieved by the authorities of the new Government, with the active support of the United Nations Mission of Support in East Timor (UNMISET), and the fact that foundations have been laid for a functioning civil service, police force, judicial system and army.

However, we note that the emerging State institutions in Timor-Leste remain fragile. We welcome the positive changes in the relations between Timor-Leste and Indonesia, especially as concerns such important issues as border demarcation and regulation of the common border regime.

The establishment and maintenance of good-neighbourly and mutually advantageous relations with neighbouring countries is a precondition for the successful establishment and development of the young State of Timor-Leste.

It is extremely important to create and strengthen a national army and the National Police of Timor-Leste in order to establish a viable and independent State. We approve of the efforts of the United Nations Mission of Support in East Timor to develop and train Timor-Leste's military and police forces. We welcome the expansion of areas of responsibilities for the fledgling army and police forces of Timor-Leste, which is taking place according to schedule and without serious difficulties.

The promotion by multilateral and bilateral donors of the social and economic development of Timor-Leste is of vital significance for the country's long-term stability. In that connection, we emphasize the need to build up donor support for the Government of Timor-Leste in its efforts to achieve the major objectives of its national development plan.

The success of United Nations peacekeeping activities in Timor-Leste and the achievements of national authorities in the area of nation-building should not be confined solely to that country. The Security Council must address difficult situations, such as the situation being successfully resolved in Timor-Leste, in other parts of the planet as well. That includes strengthening ate administration; developing democracy; prosecuting serious crimes; national reconciliation; transferring responsibility for security to national structures, including the establishment of a reaction capability to counter armed groups; the implementation of economic recovery programmes; ensuring employment for former combatants; normalizing relations with neighbouring countries; and strengthening border security and other aspects of the border regime. That list is far from exhaustive. The experience built up in those areas in Timor-Leste must be put to good use. The Security Council will promote that in every possible way.

In conclusion, we would like to wish the Special Representative of the Secretary-General, Mr. Kamalesh Sharma, and all the staff of the United Nations Mission of Support in East Timor further success in carrying out the tasks entrusted to them.

The President: I should note, for the benefit of colleagues and those who intend to speak, that I have been asked about our intention regarding the conduct of the rest of the meeting, given the growing lateness of the hour. I intend to finish the meeting this morning, so we will continue straight through, and I ask those who are speaking to take a look at their presentations to see if there is a way in which they could be made more pithy.

Mr. Maquieira (Chile): I do not know if I can make my presentation more pithy, but I will try to make it shorter.

(*spoke in Spanish*)

First of all, I would like to congratulate you, Mr. President, on presiding over our work and on convening this very important meeting on Timor-Leste. We are grateful for the comprehensive report (S/2003/944) introduced by the Special Representative of the Secretary-General, Mr. Kamalesh Sharma, whom we are very pleased to see in the Security Council. I must also express our gratitude for the work done by the former Special Representative of the Secretary-General, Mr. Sergio Vieira de Mello, who died tragically in the Baghdad attack of last August. We all know that his dedication, hard work and unifying role made him indispensable in the process of Timor-Leste's independence.

We share the Secretary-General's assessment of the progress made by an independent Timor-Leste, especially as regards the progress that has made possible the establishment of Timor-Leste's basic

structures, such as effective public administration and a professional police force.

We believe that it is very important that the security situation has improved in the first few months of this year. We believe that the role of the United Nations Mission of Support in East Timor (UNMISET) has been key in that regard. We also appreciate the efforts made by the country's Government under President Gusmão.

A key element in this process is the establishment of public administration commensurate with the significant challenges ahead for Timor-Leste. In that regard, we would like to highlight the work done by the Civilian Support Group, which has trained administrators and provided ample support for the administration of the new country. We appreciate the training and advisory work being done by UNMISET in the region. However, we note that there is a need for continued cooperation in that process, in particular in realizing financial commitments and providing the necessary advisers.

With regard to human rights, we appreciate UNMISET's assistance with regard to serious crimes and clarifying the situation surrounding crimes committed in 1999. Nevertheless, we know that trials will not be completed by June 2004 and that external assistance will be required to conclude that process.

In that regard, we would like to emphasize that Indonesia's cooperation is essential in order to try persons accused of committing those crimes. We therefore urge the parties to continue to work closely and in a true spirit of cooperation. We welcome the regular meetings held between Timor-Leste and Indonesia, which have increasingly strengthened their bilateral relations.

There must be economic development to make progress towards true stability. Such development should enable Timor-Leste to overcome poverty, create jobs, and improve the well-being of the population and the country's socio-economic situation. We therefore wish to emphasize the ongoing recovery, employment and stability programmes on behalf of former combatants and communities of Timor-Leste, as well as the transitional support programme, all of which are initiatives being carried out by the United Nations system.

We also agree that it is essential for the international community to remain committed in such areas as public administration, justice and human rights training. In that regard, we share the view that it is necessary to take measures to support the various requirements of Timor-Leste upon completion of the Mission, at the end of May 2004.

In closing, I would like to wish Mr. Kamalesh Sharma and UNMISET every success between now and the conclusion of the Mission.

Mr. Thomson (United Kingdom): The United Kingdom fully shares the thoughts of, and the statement to be made by, Italy as the presidency of the European Union. I have just a few comments to make in my national capacity.

My first comment is to welcome and congratulate both the Government of Timor-Leste and the United Nations Mission of Support in East Timor (UNMISET), under Mr. Kamalesh Sharma and his team, for their achievements since we last heard from Mr. Sharma, not least in enhancing the capacity of the public administration and the police force. We agree with the Secretary-General's remark quoted this morning by Mr. Sharma that peacekeeping and peace-building are two sides of the same coin. After UNMISET, international assistance will be essential for the peacekeeping now under way to be successful. As we move to the end of the peacekeeping phase, we must first ensure a smooth transition to peace-building, with continuing international assistance. Secondly, we must identify solid arrangements in advance for that international engagement. Thirdly, there must be clarity about the part to be played by the United Nations in that international engagement, a United Nations role that we believe will be essential.

The Secretary-General's report in early 2004 must therefore set out clear proposals to the Council for the further development of Timor-Leste in the final months of UNMISET, and then after the drawdown. We look forward in the coming weeks and months to continue dialogue with Mr. Sharma and his team, as well as with interested countries both inside and outside the Council.

Meanwhile, despite all the effort already under way, we must look for further maximum effort to achieve what can be achieved in UNMISET's remaining seven months. This will require significant

commitment by the Government of Timor-Leste, the United Nations and by other development partners.

The United Kingdom would single out three areas for particular focus but these are not intended to be exhaustive.

The first area is border delimitation. We are concerned at the delay in finalizing border delimitation. It is important that this be completed before UNMISET goes. We look to Indonesia and Timor-Leste to continue to develop their relations. We hope the commitment made by both sides to finalizing agreement on border delimitation will lead to a speedy resolution.

The second area is the continuing weaknesses in the judicial sector described this morning by Mr. Sharma. In relation to the Ad Hoc Tribunal, we agree with the Secretary-General's statement in his report that the perpetrators of human rights abuses must be brought to justice, and we would be interested in Mr. Sharma's suggestions as to how this would be best achieved.

We welcome the progress made by the serious crimes unit and look forward to receiving, in due course, the United Nations recommendations on how serious crimes should be handled after May 2004.

Finally, a further area for attention is the continued capacity-building of the Timor-Leste police force. Mr. Sharma has described the considerable challenges. The United Kingdom is working closely with Australia on possible projects in policing assistance, and we hope other countries will also assist in this area.

Mr. Atieh (Syrian Arab Republic) *(spoke in Arabic)*: My delegation thanks Mr. Kamalesh Sharma, Special Representative of the Secretary-General and Head of the United Nations Mission of Support in East Timor (UNMISET), for his comprehensive and detailed briefing. We also thank the Secretary-General for his report on UNMISET.

My delegation is pleased with the recent political developments in Timor-Leste, especially regarding the development of political institutions and Timor-Leste's relations with other States in the region and all countries of the world. We are also pleased with the launching of President Gusmão's initiative for an open and transparent presidency and his focus on security matters, as well as the sustained efforts of the Government to maintain the openness needed for the people's participation in the political process.

My delegation welcomes the efforts of the leadership in Timor-Leste and Indonesia to promote strong, friendly relations between the two countries. We support such relations, and call for their strengthening in all fields, in the interests of both the Timorese and Indonesian peoples. There is also a need to address all important issues between them, such as border delimitation and facilitating the return of those refugees who wish to go back to Timor-Leste.

My delegation supports promoting justice, democracy and stability in Timor-Leste by the adoption of the necessary legal framework and by the enactment of laws and rules and regulations for institutional work. Here we must stress the need for continued international assistance in many vital sectors to ensure that vital needs in Timor-Leste are addressed satisfactorily.

My delegation supports the United Nations system's efforts towards development of economic and social life in Timor-Leste, despite the immense challenges that remain to be overcome. We welcome the cooperation between UNMISET and the Government of Timor-Leste in the consolidation of internal and external security, in order to avert any events that might destabilize the situation in Timor-Leste.

In closing, my delegation reiterates its thanks to Mr. Sharma and his team and to all the members of UNMISET for their immense efforts in achieving stability and progress in the country.

Mr. Tidjani (Cameroon) *(spoke in French)*: My delegation is particularly pleased to welcome the Special Representative of the Secretary-General for Timor-Leste, Ambassador Kamalesh Sharma. We thank him for his exhaustive and detailed briefing, following the excellent report of the Secretary-General on the United Nations Mission of Support in East Timor (UNMISET).

Seventeen months ago we witnessed the restoration of independence to Timor-Leste and the transformation of the United Nations Transitional Administration in East Timor (UNTAET) into UNMISET. Since then substantial progress has been made to put this young, friendly country on the path to

political and security stability and economic and social development.

The Secretary-General's report gives an objective overview of the situation in Timor-Leste and makes recommendations with which my country fully agrees.

My delegation will concentrate briefly on the political and diplomatic activities of the Timorese, the fruitful interaction between UNMISET and the Timorese Government, and the country's short- and medium-term economic prospects.

On the whole, since 20 May 2002 the Timorese authorities have not proved unworthy of their task. They have been able to overcome their differences, and the main leaders have wisely chosen to put their strong personalities at the service of the Timorese people. Today the President and Government are cohabiting in a constructive manner and are mobilizing as many citizens as possible for involvement in local government.

After an inevitable running-in period, the judiciary has now begun to work, and, happily, one area in which it has been very active has been in combating impunity.

We also welcome the regional foreign policy of Timor-Leste. Its cooperation with its neighbours, Australia and Indonesia, is exemplary and may quickly have an impact on its economy, national policy and security. Cameroon encourages this trend, and pays tribute to Indonesia and Australia for their positive contribution to Timor-Leste.

The report of the Secretary-General gives a vivid picture of the implementation by UNMISET of the various programmes under way to strengthen the institutional capacities of public administration and the judiciary. Cameroon joins the appeal to donors to finance the posts of civilian advisers, whose crucial importance for the establishment of a competent, efficient and effective Timorese Administration has been emphasized. Likewise, we believe that substantial resources are urgently needed for the training of judges, of legal personnel and of other key elements of the judicial system.

The fight against impunity in the context of grave crimes — a fight that the Council demands of the Timorese authorities — cannot be conducted successfully to its completion unless support for the judicial system is strengthened. At this stage, we should duly appreciate the progress and results achieved.

In the area of internal and external security, my delegation would like to congratulate UNMISET on the work accomplished in training both the police and the army. However, one might well wonder about what will happen after May 2004 — that is, following UNMISET's departure — particularly with regard to establishing an army capable of shouldering its responsibilities throughout the territory. Here, as elsewhere, support on the part of the international community is absolutely necessary if we wish to accelerate the appropriation process.

That leads me to my last essential comment. Timor-Leste possesses real economic potential, and the arrangements concluded with Australia in the hydrocarbon sector give rise to optimism for the medium term. Unfortunately, in the short term, the country's financing needs cannot be met without external support. The report emphasizes a regular decline in gross domestic product, which will continue next year. Unemployment remains significant, and social sectors such as education and health are encountering real difficulties. As we wait for the Timorese "oil bonanza", the international community must lend sustained support to the Timorese Government and economy. The real efforts by the authorities on the ground justify that support.

I welcome the fact that the Special Representative and the entire UNMISET team are so resolutely committed to the Timorese. Because they are doing useful work, they deserve our full appreciation.

Mr. Pujalte (Mexico) (*spoke in Spanish*): At the outset, I thank Ambassador Kamalesh Sharma, Head of the United Nations Mission of Support in East Timor (UNMISET), for presenting the report of the Secretary-General (S/2003/944) on progress made in the implementation of the Mission's mandate.

The Mexican Constitution lists principles that the Mexican State must observe and promote in its foreign relations. The first principle is the self-determination of peoples. That is why it has been particularly satisfying to have accompanied, from the Security Council, the people of Timor-Leste over the past two years on their path towards building a free, sovereign and independent State. The diplomatic relations established between the Governments of Mexico and Timor-Leste

reaffirm the ties of friendship and cooperation between both peoples.

Now that the end of UNMISET's mandate is approaching and — as the Secretary-General's report has made evident — we must reaffirm the international community's commitment and continue to provide technical assistance in various spheres, my country reaffirms its readiness to cooperate in all United Nations forums and specialized agencies with the representatives of Timor-Leste.

While there are still tasks ahead of us, Timor-Leste is already a success story, because it is a reflection of what can be achieved in a short time when one has the international community's resolute support and when the people's will is respected. Mexico recognizes and applauds the "open presidency" programme, adopted by President Xanana Gusmão, as well as the "open governance" initiative. Being in contact with the people and taking their needs into account are fundamental elements in ensuring a good Government.

Just as important is the development of good-neighbourly relations. That is why my country welcomes the continuing and deepening contacts and relations between Indonesia and Timor-Leste, as well as the progress achieved in establishing maritime borders with Australia. The only possible path for countries sharing borders is that of respect and cooperation. That redounds to the benefit of both, even when they are States of different sizes.

UNMISET's mandate is nearing its end and will leave behind proof of the progress it has made. It was of fundamental importance that the international community maintained its firm and sustained commitment and provided the Mission with enough flexibility so that it could adapt itself to needs and developments on the ground. Those are important lessons of which we must take note for the future.

There must be an effective exit strategy in keeping with the situation on the ground to support ongoing programmes, with the participation of various bodies of the United Nations system and international financial institutions. To that end, it is essential that the Security Council coordinate with other bodies of the Organization, as well as with specialized agencies, in order to cooperate with the Government of Timor-Leste, bearing in mind their respective mandates and competencies.

The report of the Secretary-General recounts, inter alia, setbacks in the area of the administration of justice, particularly in the processing of those accused of serious crimes, which is a source of special concern. Therefore, we support the appeal made by the Secretary-General in his report that the accused be made available to the judiciary. It is essential to fight impunity. Likewise, we must redouble our efforts to have more trained judges and to facilitate resort to the courts for the population.

Similarly, we must continue the process of recruiting and training Timor-Leste's military and police troops, as well as initiatives to build confidence among the civilian population. The training of troops must include human rights training, which holds particular meaning for my country.

The gradual drawdown of UNMISET troops must continue, bearing in mind the development of national capacities as well as the situation on the ground. It is encouraging news that, in the current period, events such as those that occurred at the end of 2002 and at the beginning of this year were not repeated. Proper coordination between United Nations forces and the Governments of Timor-Leste and Indonesia to ensure external security and border monitoring is paramount. That is why we appeal for continued strengthening of ties of cooperation in that sphere.

Likewise, an effective strategy must be developed to face the fundamental challenge of reintegrating the 26,000 Timorese refugees. It is necessary that the Council support the Government's efforts to encourage and support reconciliation meetings on the borders and to promote national reconciliation, supported by the work of the Office of the United Nations High Commissioner for Refugees and the International Organization for Migration.

During the transition process, the United Nations system must reinforce its presence in order to give Timor-Leste the assistance and training that will to enable it to develop its potential and improve its socio-economic indices. The same commitment is expected from the international financial institutions. The permanent fund to be established in cooperation with the International Monetary Fund and the World Bank should benefit the people of that country.

I take this opportunity to express my deep respect to Ambassador Sharma and the entire staff of the United Nations Mission of Support in East Timor for

their commitment and dedication to Timor-Leste. We also recall and thank the staff members who participated in the United Nations Mission in East Timor (UNAMET) and in the United Nations Transitional Administration in East Timor. We join others in expressing special thoughts for Mr. Sergio Vieira de Mello, who played an essential role as administrator of the transition, and for those who have lost their lives in Timor-Leste, particularly the members of UNAMET who died in the horrific events of 1999. It was their sacrifice that prompted my country to submit the draft resolution that was adopted as resolution 1502 (2003) in order to give the Security Council a tool to help prevent and deal with such violence.

The impartiality and neutrality of humanitarian personnel should not be confused with indifference. The staff entrusted with humanitarian activities in Timor-Leste and elsewhere do not stand alone.

The President: I shall now make a statement in my capacity as the representative of the United States.

I, too, want to thank Ambassador Sharma for joining us today. We are pleased with the success of the United Nations Mission of Support in (UNMISET), in East Timor, for which a number of dedicated individuals deserve credit, including, of course, Ambassador Sharma, his colleagues and the late Sergio Vieira de Mello.

We applaud the Government and people of East Timor for their progress towards the development of the country's political institutions and of good diplomatic relations with neighbouring countries and those beyond the region.

We call on donors to continue to support progress in East Timor, particularly through the provision of bilaterally funded advisers to fill remaining vacancies. We also call on the Government of East Timor to do its part to nurture respect for the rule of law, address allegations of police brutality and adopt the legal frameworks for civil administration recommended by Ambassador Sharma.

UNMISET's mandate will end in May 2004. We concur with the suggestion in the Secretary-General's report of 6 October that the international community should begin considering the best means by which the needs of the country can be met after UNMISET's withdrawal. We stand ready to participate in this discussion along with our Council partners as well as other interested countries, including Australia, New Zealand, Portugal and Japan.

We agree that the international community should remain engaged in ensuring the establishment of security and stability in East Timor after May. We welcome the initiative of the Australian Government in offering proposals for how this engagement might continue. We also look forward to seeing the Secretariat's further suggestions, as promised in the 6 October report.

I now resume my function as President of the Council.

I give the floor to the representative of Timor-Leste.

Mr. Guterres (Timor-Leste): First, I would like to convey to you, Sir, and to the bereaved families the condolences of my Government.

I thank you for this opportunity to address the Security Council. I wish you every success during your presidency. It is a great honour for us to welcome Ambassador Sharma, the Special Representative of the Secretary-General for East Timor, to this meeting. His assessment of the situation in Timor-Leste is highly valued by my Government.

I would also like to extend our appreciation to Deputy Special Representative Sukehiro Hasegawa and to all members of the United Nations Mission of Support in East Timor (UNMISET) for all the achievements we have made together in recent months. With the presence of the peacekeeping forces, the police and civilian experts, and the consolidation of the democratic process and institutions, we have together maintained a stable and vibrant democratic country.

In January this year, the Government initiated a process of bringing governance to the people in remote areas. The communities in those areas have seized the opportunity to raise their concerns and priorities. These meetings have given the Government an opportunity to explain the national development plan, the Government programme, the available resources and the challenges ahead.

In the area of telecommunications, we have an ambitious project under way. By the end of this year, all the capital districts will have fixed and mobile

communications fully operational, paving the way for better technical conditions for radio and television.

The agriculture sector is a priority area of the national development plan. Efforts have been made to increase our productivity in the sector, which is the lowest in Asia. More than 60 per cent of the irrigation system has been repaired and new ones have been constructed.

The Government, with the help of donors, has re-established electricity in 55 sub-districts and is currently conducting feasibility studies in the area of hydropower.

A national health-care policy has been adopted. Much of the infrastructure has been rehabilitated, but malaria and tuberculosis continue to be widespread. There is a need for more doctors, nurses, midwives and ambulances. Recently, during a visit of the Executive Director of the United Nations Development Fund for Women to a remote village, the community of Mauschiga requested medical assistance and expressed its gratitude for her offer to facilitate medical care for the people, many of whom have lived with war wounds that require urgent medical attention.

Despite the efforts to reconstruct 700 of the 900 schools destroyed in 1999, 25 per cent of our children do not have access to formal education.

We hope that an investment law now under consideration in the national Parliament will prepare the foundations for more investment in other sectors of the economy, not only in gas and oil. Timor-Leste will remain committed to maintaining an attractive fiscal and regulatory framework for investment.

We will soon start maritime boundaries negotiations with Australia. The Maritime Zones Act adopted by Parliament in 2002 set out Timor-Leste's 200-mile maritime boundary claim. We hope that negotiations will be a success and consistent with international law. The oil and gas revenues in those areas are of strategic value to our country and people. The World Bank, the International Monetary Fund and the Government of Timor-Leste are preparing a plan to create a fund that will manage the petroleum revenues in a way that is transparent and responsible.

We continue to consolidate our relations in the region and in the world. The Joint Ministerial Commission of Indonesia and Timor-Leste met in Dili from 4 to 6 September. The Commission agreed to continue to seek solutions to the residual problems of the past and, most importantly, established cooperation in the areas of commerce, investment, development, education, health and security. In general, despite forecasts of a contraction of the economy, the Government believes that it will reverse the trend very soon.

East Timor President Xanana Gusmão has continued to promote reconciliation and national unity. He has participated in various meetings in the border area in order to encourage reconciliation and the return of refugees from West Timor to their homeland. In spite of these efforts, approximately 26,000 remain in the refugee camps. During the second meeting of the Indonesia-Timor-Leste Joint Ministerial Commission, both parties agreed to encourage their settlement away from the border to places allocated by the Government of Indonesia and to facilitate the return of refugees who choose to return to Timor-Leste.

The United Nations and the Security Council intervened in my country in a timely manner. The international community, in particular the donor countries, have invested huge financial and human resources and know-how in this Mission, although some resources have not arrived on time. My Prime Minister has stated that the judicial system, law and order, finance and planning and defence and security will require substantial assistance and support for some time.

We share the view expressed by the Secretary-General in paragraph 14 of his report (S/2003/944), that

> "it is clear that it will not be possible for Timor-Leste to achieve self-sufficiency in certain key areas of the mandate by 20 May 2004."

The mandate that the Council set forth in resolution 1480 (2003) in 2004 is nearing its end — 20 May 2004. We welcome the debate and discussions about the future mission of the United Nations. We recommend a credible, strong United Nations presence in key areas in order to help consolidate stability and security, sine qua non conditions for sustainable development and for the success of the United Nations mission.

Finally, in July this year we received a visit from the President of the General Assembly at its fifty-seventh session, Mr. Jan Kavan. His visit was very

successful. My Prime Minister, Mari Alkatiri, has instructed me to invite the Security Council to send a delegation to East Timor. Such a visit would be an honour, given the fundamental contribution made by the Council to the success of the United Nations mission, and its crucial role in the liberation of our country and our people.

The President: The next speaker inscribed on my list is the representative of Portugal, to whom I give the floor.

Mr. De Santa Clara Gomes (Portugal): I would like to thank the Secretary-General for his report and Ambassador Sharma for his excellent presentation.

Portugal subscribes entirely to the statement to be made later by the representative of Italy on behalf of the European Union. I will add just a few remarks.

First of all, I would like to take this opportunity to pay tribute again to the remarkable contribution that was made to Timor-Leste by the former Special Representative, the late Sergio Vieira de Mello. I would also like to recognize the dedicated efforts of the civilian, military and police components of the United Nations Mission of Support in East Timor (UNMISET) and to congratulate them in their many achievements in Timor-Leste.

Timor-Leste has made outstanding progress in many fields and can justifiably be called a United Nations success. I would like in particular to note the progress made in laying the foundations for a functioning civil service and police force, as they are assuming increasing levels of responsibility. It is also with satisfaction that we note that there was no repetition during the reporting period of serious security-related incidents.

The steady and positive development of the relationship between Timor-Leste and its neighbour Indonesia should also be highly commended, particularly regarding the determination of their joint border. That was largely the result of the stated commitment by the leadership of both countries.

We congratulate the United Nations and the Security Council on having contributed to the stability of Timor-Leste. The report of the Secretary-General, however, also describes comprehensively the work that remains to be done by UNMISET — work that cannot be completed until well after May 2004.

Timor-Leste is in a critical period of the peace-building process, and the report of the Secretary-General clearly outlines a number of areas where international assistance will be required beyond the mandate of UNMISET. Much work remains to be done in the area of police training, particularly in the management of the border, which remains porous and, therefore, a source of illegal incursions and illegal trade. But there is still work to do in other areas, too, such as those relating to professional ethics and respect for human rights. Security is clearly a key factor for the political and social stability of any country, and Timor-Leste is no exception.

Despite the progress already achieved in terms of the public administration, this will continue to require support to remedy a shortage of qualified personnel, and much help will still be needed in areas such as justice and internal administration. Institution-building is an area where remarkable success attended international assistance, but it was only to be expected that the task would need to be continued and consolidated in the future.

It is with concern that we note that insufficient success was reported in terms of the economic and social development of Timor-Leste. We note that there was a drop in gross national product last year and that a further drop is expected for the current year. In that regard, Portugal believes that the international financial institutions and bilateral donors should further support the national development plan, allowing for more investment in capacity-building and incentives and opportunities for job creation.

Much has been achieved, but more needs to be done. We have come a long way and invested much in Timor-Leste, and we need to preserve and consolidate the results already obtained. Portugal is more convinced than ever of the need for a continuing United Nations presence after the end of the current mission. We believe that, in order for this presence to have the necessary credibility, both internally and externally, it should have a clear mandate from the Security Council and should be led in the field by a Special Representative of the Secretary-General. We must pursue, for a further period, a concerted effort to allow East-Timor to achieve three interrelated goals: security, institution- and State-building, and sustainable development. Fortunately, our efforts can be undertaken at a reduced level, compared with those of the past.

The President: I now give the floor to the representative of the Philippines.

Mr. Baja (Philippines): I would like to congratulate you, Sir, and the United States delegation, on your assumption of the presidency of the Security Council for this month. My delegation would also like to thank the Secretary-General for his latest report (S/2003/944) on the United Nations Mission of Support in East Timor (UNMISET), as well as Ambassador Sharma for his comprehensive briefing today on the situation in Timor-Leste.

About five months ago, we celebrated the first year of independence of Timor-Leste. It has been four years since the Timorese voted in a referendum to pursue independence. Today, we can all feel satisfaction that, with the assistance of the United Nations, war and starvation are slowly becoming distant memories and nation-building has begun in earnest in Timor-Leste. The security situation has greatly improved; the foundations of a functioning civil service have been laid; and there has been a marked improvement in the strengthening of rule-of-law mechanisms, political dialogue among stakeholders, interaction with civil society and the critical relationship between Timor-Leste and its closest neighbour, Indonesia. Indeed, remarkable progress has been achieved in Timor-Leste's nation-building.

Despite the success story of Timor-Leste, the persisting economic difficulties in the country serve as a reality check on the difficult road ahead as the termination of UNMISET in May next year approaches. The challenges that Timor-Leste faces are daunting. It has been reported that the country has not recovered much since the time when 75 per cent of its infrastructure was destroyed. Seventy per cent of villages lack running water, and large parts of the countryside do not have electricity. Forty per cent of the population live on less than 55 cents a day, while half lack formal education. The unemployment rate is 20 per cent in urban areas, with the civil service and UNMISET providing the bulk of all the paid jobs in the country. The country has been going through a devastating drought for the past two years.

There remain, however, some bright spots, even on the economic front. The Timor Sea Treaty, signed in March between Timor-Leste and Australia, provides hope. The oil and gas industries are projected to add about $5 billion over 17 years to the country's coffers, although, according to experts, the bulk of this money will start trickling into Dili only after five years. Until then, Timor-Leste will receive about $100 million a year, which should provide substantial help for the financial needs of the nation. But such resources from oil will not be sufficient to solve the problem of poverty in the country. Timor-Leste desperately needs capacity-building so as to improve the standard of living of its people.

Timor-Leste continues to require the assistance of the international community. In order to generate the kind of economic growth that will filter down to households, the country will need to seek development and job-creation in labour-intensive areas, such as farming, which employs most of the country's poor. This is where international donors could provide substantial assistance. There has been speculation that some international donors are preparing to cut back on aid because of the projected income from the oil and gas industries, even if such income has not yet materialized. We appeal to international donors not to do so. There must be a reasonable time overlap between aid and the oil income, as a premature aid cutback would be devastating to the country's economy. Furthermore, since Timor-Leste would depend greatly on its oil and gas industries in the future, we hope that it could maximize all possible revenues from those industries in accordance with established principles of international law, particularly the United Nations Convention on the Law of the Sea.

The international community has invested a lot of political capital — not to mention billions of dollars — in the future of Timor-Leste. For our part, we have just successfully implemented the Philippine human resource development assistance package for Timor-Leste, under the auspices of the Philippines-Japan partnership programme.

Thanks to the resolve of Member States and the United Nations, we are now in the final stages of the exit strategy for the country. We recognize the significant role of the Council in assisting the Government of Timor-Leste to develop its institutions and infrastructure as an independent State through UNMISET. We support the adjustments to the schedule for downsizing the military and police elements of UNMISET in the light of developments in the security situation. However, my delegation would caution against the precipitate withdrawal of the United Nations presence in Timor-Leste following the

completion of the UNMISET mandate in May 2004 without a full assessment of the requirements of Timor-Leste and sufficient guarantees that peace is adequately secured.

As the Secretary-General has pointed out in his report (S/2003/944), many of the fundamentals for the country's good governance would remain unfulfilled beyond the termination of UNMISET in May 2004. The unfinished business would pertain to the critical areas of civil administration, justice and policing, as well as human rights training. The Secretary-General has promised to provide further suggestions on what would be the best means of meeting the country's needs beyond UNMISET after undertaking a thorough evaluation of the situation. We look forward to the report of the Secretary-General in the near future.

The President: I now give the floor to the representative of Australia.

Mr. Dauth (Australia): Thank you, Mr. President, for the opportunity to address the Council today. Ordinarily, I try not to detain the Council, when I speak here, for more than a few minutes, knowing the great pressures on the Council's time. But I hope today you will indulge me with a few minutes more on an issue which, as the Council knows, is very important for my country. But I will not be too long, I promise.

Timor-Leste has come a long way, off a very low base, since achieving independence last year. A great deal of credit must go to the wise leadership of Timor-Leste and to the Timorese people, whose energy and determination stand as the country's greatest national asset.

The Council itself, and the broader United Nations Membership, has good reason to be pleased with the part played by United Nations missions in Timor-Leste to date. In that context, it would be quite remiss not to particularly congratulate my friend and former colleague, Kamalesh Sharma, seated on my right, for all the extraordinary work that he has done. I know that he will remain committed, to the very last day of the present mandate, to making progress in Timor-Leste.

The United Nations engagement in Timor-Leste stands as a benchmark and also a pointer to the crucial work the Organization can do in conflict and post-conflict situations. Progress achieved to date in Timor-Leste is real, but it is fragile.

Significant challenges remain ahead of Timor-Leste — in the security field, in institution-building and in bringing opportunities to the Timorese people. It is therefore important that the Council invest some time over the coming weeks and months in reviewing the situation in Timor-Leste and beginning to consider how the international community, separately and collectively, can best ensure that the progress achieved to date in Timor-Leste is protected.

Australia welcomes the Secretary-General's report on the United Nations Mission of Support in East Timor (UNMISET) (S/2003/944). The report is well-crafted and well-timed. It accords closely with our own assessment of the current situation in Timor-Leste and of the areas that will require further international attention in the final months of the mandate of UNMISET and beyond.

It is the latter point I wish to focus on today. Australia shares the Secretary-General's assessment that it will not be possible for Timor-Leste to achieve self-sufficiency in certain key areas of the United Nations mandate before UNMISET's term expires in May 2004. That much is clearly evident. Timor-Leste's security situation has stabilized significantly, but the legacy of decades of conflict remains and Timor-Leste's security-related institutions are still weak. Equally clear is that while much can and is being done through bilateral and other donor support, there will be a need for a modest, security-focused United Nations mission in Timor-Leste after the current Mission's mandate expires next year.

Members of the Council will be aware of Australia's keen interest in Timor-Leste's stable future. After discussion with the Government of Timor-Leste and other partners, Australia has put forward a model for a post-UNMISET mission, to be established for a one-year period by a Security Council mandate. We hope the model helps focus minds on what might be required of the United Nations presence in Timor-Leste after May 2004.

The post-UNMISET United Nations presence Australia proposes would be fundamentally different in nature from the missions that have gone before it. At the centre of the model, in the driver's seat, are the people of Timor-Leste themselves. The United Nations role would not be one of traditional peacekeeping but of providing the back-up support and advice which will enable Timor-Leste's own institutions to evolve and

stand with confidence. The mission would complement the ongoing work being done by the Timor-Leste authorities and their development partners to build sustainable capacity in Timor-Leste's essential institutions, including its police and armed forces, and to lay the foundations for national stability and prosperity. Above all, it would be small, limited in scope and focused on specific needs, underpinning the transition to effective Timor-Leste responsibility. It would also have a clear end point.

Turning to specifics, Australia shares the Secretary-General's assessment that post-UNMISET requirements will include essential support to Timor-Leste's border security agencies, its police service and specialized police units, its institutions of Government and the serious crimes process. On that basis, Australia has proposed a follow-on United Nations mission, focused on security and comprised of the following elements: first, military liaison officers to facilitate liaison between security authorities across Timor-Leste's land border and to monitor security-related developments in the border districts; secondly, an international police response group to provide back-up support to Timor-Leste authorities in responding to emergency civil unrest; thirdly, police observers deployed lightly throughout the districts to liaise with the Timor-Leste police and monitor security-related developments; fourthly, a core of international advisers to provide counsel to the Timor-Leste Government in essential security-related areas; and lastly, international legal experts to work in the office of Timor-Leste's Prosecutor-General to conclude the priority crimes-against-humanity caseload.

Australia's rough estimate suggests the cost of such a mission would be relatively modest: approximately one tenth the price of the current United Nations Mission in its final year. We look forward to seeing detailed costings from the Secretariat in due course.

Maintaining security and stability in Timor-Leste will present ongoing challenges for the young State. Meeting those challenges will require continued effort over many years, and we all have a part to play. Essential to success will be continued far-sighted leadership from the Government of Timor-Leste to build the foundations of national stability. Crucial also will be continued support from the international community, through the United Nations and beyond, and Australia will continue to do its part. In more immediate terms, Timor-Leste's stability in the years ahead will depend on early concerted action by all parties to resolve the residual problem of Timor-Leste's displaced people in West Timor and other border management issues. Australia welcomes recent renewed efforts by the Governments of Timor-Leste and Indonesia to resolve these matters.

The history of Timor-Leste's transition to independence has given the international community and the Security Council a duty to acquit. The investment we have made in East Timor could be a case study of how the United Nations can work well, how it can make a difference. The modest, short-term additional commitment we are proposing could make the difference in securing the success of that investment. Decisions made in the Security Council over the coming months will be crucial to preserving that success.

In closing, I want to endorse the words of the Secretary-General in paying tribute to the remarkable personal contribution made to Timor-Leste by my friend Sergio Vieira de Mello. If Timor-Leste's transition to independence has been a success story, that success is due in no small way to Mr. Vieira de Mello's remarkable leadership. Australia will always remember him for that and for many other things.

The President: I now give the floor to the representative of Italy.

Mr. Mantovani (Italy): I have the honour to speak on behalf of the European Union. The acceding countries Cyprus, the Czech Republic, Estonia, Hungary, Latvia, Lithuania, Malta, Poland, Slovakia and Slovenia, the associated countries Bulgaria, Romania and Turkey, and as the European Free Trade Association countries members of the European Economic Area Iceland, Liechtenstein and Norway align themselves with this statement.

The European Union welcomes this opportunity to commend the results achieved by the Special Representative of the Secretary-General. In the footsteps of his predecessor Sergio Vieira de Mello, to whose memory we would like once again to pay tribute, Ambassador Kamalesh Sharma has been leading efforts to ensure a better future for the people of Timor-Leste through his dedication and skill in guiding the civilian, military and police components of the United Nations Mission of Support in East Timor (UNMISET).

The European Union supports the efforts of the Timorese Government to consolidate the fragile political institutions in Timor-Leste. Since May 2002, when Timor-Leste celebrated its independence, the Government has made significant progress in promoting the country's social and economic development. The European Union commends and encourages the efforts to ensure and uphold democratic institutions and the rule of law while building the new nation.

We welcome the continued development of strengthened relations between Timor-Leste and Indonesia. The European Union looks forward to the early finalization of the border delimitation agreement following the meeting of the bilateral Joint Ministerial Commission held in Dili at the beginning of last September. We hope that cooperation will continue in the same friendly spirit on a number of other important issues, ranging from the resettlement of refugees still remaining in West Timor, border crossings and market regulation, to the conclusion of other cooperation agreements between the two countries. The European Union strongly believes that, by ensuring the accountability of all perpetrators of serious human rights violations, trust in the judiciary and the judiciary's contribution to reconciliation will be greatly enhanced.

The United Nations continues to play an important role in the nation-building of Timor-Leste. We are pleased to note that UNMISET operations are generally progressing according to the scheduled time frames for scaling down the Mission. After a review last April, the strategy already set out continues to be implemented through the progressive transfer of responsibilities to local authorities.

The international community must continue to monitor the situation and developments on the ground, particularly in the areas of civil administration, justice and policing, as well as in human-rights-protection training. Cooperation and consultation with the World Bank, the United Nations Development Programme and other United Nations agencies can provide support for the lasting and sustainable development of Timorese infrastructure and institutions.

After the Security Council has taken stock of what has been achieved, reflection should take place in the Council on the country's needs after the withdrawal of the United Nations Mission in May 2004, and on the support the United Nations and the international community could provide to Timor-Leste next year, in order to consolidate the success story that the country already represents. The European Union looks forward to the Secretary-General's report to be issued in early 2004 and to his further suggestions on these matters.

Many European Union member States have participated in United Nations missions in Timor-Leste. The European Union has made considerable efforts to support the new nation through financial assistance, humanitarian aid, rehabilitation and development cooperation. The European Union, as well as its member States, will continue to support the consolidation of Timorese democratic institutions.

The President: I call on the representative of Singapore.

Mr. Mahbubani (Singapore): The hour is late. I will not read out the text of my remarks, but I hope that members of the Council will refer to the text when they reflect on the situation in Timor-Leste. What I propose to do instead is to summarize my remarks in four points.

The first point that I would like to make is to, of course, thank the Council for addressing the subject of Timor-Leste. We realize that there are much more prominent issues that are preoccupying the minds of Council members. Certainly what is going to happen in a few hours will be a major focus of attention. But, despite all that, we hope that the Council will remain focused on the challenges faced by Timor-Leste. We would also like to thank the Secretary-General for his report and my good friend and comrade Kamalesh Sharma for his briefing and the good work that he has done in Timor-Leste.

The second point we would like to make is that, as usual, there is the mixture of good news and bad news coming out in any assessment of the situation in Timor-Leste. That assessment that is given is in the text of my statement, but I thought that Ambassador John Dauth captured it very well when he said: "Progress achieved to date in Timor-Leste is real, but it is fragile" (*si pra*).

The third point that I would like to make is that, given this mix of good news and bad news in Timor-Leste, I think it is all the more important that the Security Council think very seriously about the exit strategy that it is going to adopt in leaving Timor-

Leste. In that regard, we hope that the Council will heed some very important points that have been made.

The first is the point that the Secretary-General made in his report, where he said that the Council should begin considering the best means through which the country's needs can be met after the United Nations withdrawal. That assessment should be based on the thorough evaluation of the country's key requirements and should be guided by recognition, based on experience in Timor-Leste and elsewhere, of the importance of finding reliable means to meet urgent requirements and to secure the considerable investment that had been made in the country to date.

We hope that equal attention will be paid to the views of the leadership of Timor-Leste. Ambassador Kamalesh Sharma said earlier today that the Timorese leadership and the representatives of civil society, both national and international, have clearly indicated to him the centrality of the requirement of continued United Nations presence to provide both psychological assurance and substantive support in the immediate post-UNMISET period. We think this view should be taken seriously, along with some of the specific points that were made, in particular by Ambassador John Dauth. We would like to support some of the specific suggestions that have been made for a continued United Nations presence.

As indicated in my text, there are four points that we would like to emphasize in any post-UNMISET presence. But before saying that, let me also emphasize that we believe that the post-UNMISET presence should come from assessed contributions, with the emphasis on the word assessed.

The four items that we would like to support are the following. The first is military liaison officers to liaise between Timor-Leste and Indonesian security forces and to monitor security-related developments. The second is police observers to monitor operations of the National Police of East Timor and internal security developments. The third is an armed back-up policing capability to respond to emergency situations. The fourth is international civilian advisers in security-related areas to be established for a limited period, such as one year.

We think that these are not excessive requests. Indeed, as Ambassador John Dauth said, the cost will be much less than that of the current situation. Therefore, we hope that these requests will receive attention.

My fourth and final point is that at a time when the United Nations has to deal with one crisis after another, and, indeed, when questions have been raised about the relevance and effectiveness of the United Nations, it is all the more important for the United Nations to protect all the success stories that it has. Certainly, we should do what is right for Timor-Leste. It will benefit the people of Timor-Leste. It will also benefit the United Nations at this point in time.

In this regard, we also support the invitation that has just been made by the Ambassador of Timor-Leste to the Security Council to visit the country. We believe that such a visit would be very helpful to enable the Council to decide how it should manage the post-UNMISET strategy for Timor-Leste.

The President: I now give the floor to the representative of Japan.

Mr. Haraguchi (Japan): I would first like to thank Ambassador Sharma, Special Representative of the Secretary-General, for his comprehensive briefing.

The Government of Japan is pleased to note that much has been achieved in the areas of public administration, combating serious crimes, internal security and Timor-Leste's relationship with Indonesia, including progress on border-control issues. I am also pleased to note, in checking the budget of the United Nations Mission of Support in East Timor (UNMISET), that it has implemented its work in a very cost-effective manner.

The report of the Secretary-General, however, states that serious challenges still remain in such areas as public administration, the judiciary, policing and national security. It is the firm intention of my Government to continue to support the effort by UNMISET to consolidate what has been achieved so far on as solid a base as possible within the short period remaining until the end of the mandate of UNMISET.

We also share the view of the Secretary-General in his report, which states that support from the international community will continue to be required even after the expiration of the UNMISET mandate. We simply cannot accept a situation in which the fruits of the activities of UNMISET might be ignored, so that as a result Timor-Leste could return to its prior state of

conflict and disorder after the expiration of the mandate.

We hope that the Secretary-General will provide us with detailed proposals for the post-UNMISET stage as early and in as specific a form as possible. Japan will also seriously consider what will be the most appropriate support for Timor-Leste, while listening to the views of the Government of Timor-Leste, the United Nations and other countries that have been supportive of Timor-Leste.

Consolidating and building peace are big challenges faced by the international community. It is crucially important for the United Nations and the international community to make certain that those valuable initial achievements such as peace, the rule of law, respect for human rights and development take root and are long-lasting. Japan will unhesitatingly provide appropriate support for peace-building as well as for the consolidation of peace and for the enhancement of human security in Timor-Leste. We also call upon the international community to continue to extend its valuable support to this young republic.

In support of building a self-sustaining Timor-Leste, Japan has pledged, and has been steadily implementing, assistance of up to $60 million over the period of three years following its independence, with a focus on peace-building as well as on reconstruction in three key areas: agriculture, infrastructure and human resources development. We are pleased to learn that the roads and bridges which the engineering group of our Self-Defence Forces has constructed and repaired for the activities of UNMISET also benefit the people of Timor-Leste. We believe that such support is in line with the needs of Timor-Leste as described in the report of the Secretary-General.

I wish to reiterate how important it is for the leaders of Timor-Leste to be united in governing their country, for the people of Timor-Leste to participate in the nation-building efforts as a matter of their own responsibility and for the international community to continue to extend its support.

The President: I now give the floor to the representative of India.

Mr. Gopinathan (India): We congratulate you, Sir, on your assumption of the presidency of the Security Council for the month of October. This has been, and will undoubtedly be, a month of major activity for the Council. We are confident that the conclusion of your presidency at the end of the month will record forward movement on many important issues currently under consideration.

It has been almost 17 months since the establishment of the United Nations Mission of Support in East Timor (UNMISET), pursuant to resolution 1410 (2002). It is a rare but happy occasion when we are able to review what the Secretary-General has described as significant progress in reaching the major milestones identified in the mandate of the Mission's implementation plan. It is gratifying to learn that since its independence Timor-Leste has made significant progress in promoting its social and economic development, and that its political institutions have continued to develop, as have its relations with countries in and beyond the region.

I wish to comment briefly on the following highlights of the Secretary-General's report on developments in Timor-Leste.

The first is the successful phased withdrawal of UNMISET's military component, as per the revised downsizing schedule authorized in resolution 1473 (2003), with plans to bring down its numbers to 1,750 by the end of 2003. We note that this downsizing has gone hand in hand with the development of Timorese armed forces.

The second highlight is the relative calm in the internal situation that has allowed 12 districts to be handed over by UNMISET to the National Police of Timor-Leste, with the thirteenth district ready for handing over.

The third is the progress achieved by UNMISET in preparing Timor-Leste to gradually take over its civil administration. The Secretary-General has acknowledged this by referring to Timor-Leste's

> "remarkable progress in laying the foundations for a functioning civil service and police force." (*S/2003/944, para. 55*).

The fourth highlight is the success of the Government of Timor-Leste in generating revenues worth $44.1 million, including $26.7 million from Timor Sea revenues during the current year, as an indication of the increasing ability of the State to mobilize its own resources.

The final highlight is the establishment of strong relations between Timor-Leste and Indonesia by way of exchange of high-level visits and conclusion of a joint statement reaffirming the intention of the two countries to address together a number of important bilateral issues.

Those developments illustrate the progress achieved during the period covered by the Secretary-General's report. Recognizing that nation-building is a long-term process, the Secretary-General has highlighted the continued indispensability of international assistance. He has projected that Timor-Leste will continue to need international guidance and advice in the areas of civil administration, justice and policing, human rights training and, possibly, security. We took forward to hearing further from the Secretary-General on his recommendations in this regard.

The progress achieved since the independence of the Timor-Leste has to be attributed to the country's enlightened and forward looking leadership. Special recognition has to be accorded here to Prime Minister H.E. Mr. Mari B. Alkatiri, who only recently addressed the United Nations General Assembly. The contributions of the Special Representative of the Secretary-General, Mr. Kamalesh Sharma and the civilian, military and police components of UNMISET, including the United Nations Volunteers, in the successful evolution of Timor-Leste from a nascent State to a confident member of the United Nations fraternity, also deserve our recognition.

We also take this opportunity to pay tribute to the memory of the late Sergio Vieira de Mello, who made invaluable contributions to nation-building in Timor-Leste.

The President: I now give the floor to the representative of Malaysia.

Mr. Rastam (Malaysia): I thank the Secretary-General for his report; the Special Representative of the Secretary-General, Mr. Kamalesh Sharma, for his comprehensive presentation; and the United Nations Mission of Support in East Timor (UNMISET) for the good work it has done. I also congratulate them all.

Timor-Leste is now entering the final phases of the drawdown in UNMISET's presence. We note from the report and the briefing that Timor-Leste has made remarkable progress in governance and the development of its civil service. The development of basic skills among the Timorese is continuing and progressing well. We welcome the initiation of an open presidency by President Gusmão and the continuation of the open governance initiative by the Government. We note with satisfaction that the National Parliament has concluded its first year of legislative activity.

I am sure that the Security Council and the international community continue to share the concerns that the Secretary-General had raised prior to the independence of the country, such as the lack of expertise in the areas of finance, justice, rule of law, human rights and policing. This shortcoming could remain as an impediment to successful progress towards viable nation-building. However, we believe that with the resolve of the Government and of the people of Timor-Leste, and with international assistance, this shortcoming can be overcome in due course.

We note that with regard to civilian advisers, 37 per cent of the total posts identified have not yet been funded. According to the Secretary-General, 22 per cent of the prison population is comprised of individuals in detention under expired warrants. The National Police of Timor-Leste still requires international assistance, especially in the areas of effectiveness, impartiality and accountability. Of particular concern are the specialized areas such as investigations, forensics, intelligence gathering and special operations to counter acts of terrorism, hijacking and kidnapping. Furthermore, it is envisaged that the Timor-Leste Defence Force would unlikely be in a position to conduct sustained operations immediately following the withdrawal of the United Nations Mission of Support in East Timor (UNMISET).

Malaysia believes that continued efforts to improve public administration and sustain a peaceful environment will provide the critical foundation for the promotion of social and economic development in Timor-Leste. The concerns highlighted by the Secretary-General certainly require a thorough analysis by the Council and the international community at large. We note that significant progress has been made towards the major milestones identified in UNMISET's implementation plan. But the Secretary-General has also assessed that it will not be possible for Timor-Leste to achieve self-sufficiency in certain key areas of UNMISET's mandate by 20 May 2004. It is therefore fitting that thought be given to what should follow the

expiration of UNMISET's mandate. In this regard, I note the statement made earlier by Ambassador John Dauth, the permanent representative of Australia, regarding Australia's proposal for a follow-on United Nations mission, as well as the remarks made by Ambassador Kishore Mahbubani, the permanent representative of Singapore.

We note that Timor-Leste remains a predominantly agrarian society. Poverty is still a critical problem. Unemployment is still high. Urban unemployment is now a major concern. Although the Government has been able to collect $44 million in revenue this year, much of it derived from petroleum-related earnings, the national budget still requires international assistance to cover a shortfall of some $26.6 million. The heavy reliance of the economy on external factors has to be addressed on an urgent basis by UNMISET and the Government.

In this connection, Malaysia believes that the development of the private sector is also critical to stimulating economic growth. The role played by the United Nations Development Programme and the World Bank, concerning proposals for projects that would employ the Timorese people, will also be critical.

The process of nation-building and reconciliation is a highly complex and sensitive matter. At the same time, the formation of a sustainable democratic State would require a higher level of maturity by the people of Timor-Leste than what they have achieved so far. It is important that all parties concerned put aside their differences to maintain the political stability of the country. In this regard, we hope that the leaders of Timor-Leste will pay equal attention to the rights of each of the minority populations, including the minority Muslim population. Malaysia believes that, with political stability and sound economic and social planning, the economy will gradually progress and develop.

As a country in the region, Malaysia will play its part in assisting the Government and people of Timor-Leste in their nation-building efforts. We will assist within our capability to do so. We would continue to provide the appropriate assistance, bilaterally and through regional and international efforts, including our participation in the United Nations mission. In this connection, we are appreciative of the acceptance of and support given by the Government of Timor-Leste to the current Force Commander of UNMISET, who is from the Malaysian Armed Forces.

We have also deployed under UNMISET a self-sustained police unit comprising 125 personnel from the Royal Malaysian Police. In addition, we have 30 additional Malaysian civilian police personnel serving with UNMISET. They have also been able to assist in training the National Police of Timor-Leste. Malaysia has also provided training to the Timorese in various areas of human resources, including archiving, firefighting, policing and diplomacy, through the Malaysian Technical Cooperation Programme.

Additional areas of assistance and cooperation between Malaysia and Timor-Leste are also being explored. The Embassy of Malaysia in Dili would be in a position to facilitate further cooperation. The first Malaysian resident Ambassador to Timor-Leste has been at his post in Dili since August. Timor-Leste has also appointed its Ambassador to Malaysia. The exchange of high-level visits between the two countries, including visits in the very near future, would definitely further strengthen relations and cooperation.

Clearly, in this early stage of its post-independence period, Timor-Leste will face many challenges in nation-building. In this, the friends of Timor-Leste in the region and beyond can play a constructive role. In this regard, we warmly welcome the cordial and constructive contacts and bilateral engagements between Timor-Leste and its immediate and important neighbour, Indonesia. We think that this augurs well for Timor-Leste in its effort to play a meaningful role in the region.

It is clear to Malaysia, from the Secretary-General's report, that the international community must assess and take stock of the progress and challenges faced by the Government and people of Timor-Leste and the international community in fulfilling the common responsibility to further progress in the nation after the withdrawal of UNMISET. It is crucial for us to meet the urgent and indispensable requirements of the country in the remaining period and to secure the progress achieved so far. In this connection, my delegation looks forward to receiving a report from the Secretary-General in early 2004.

In conclusion, I wish to join the Secretary-General and others in paying tribute to the late Sergio Vieira de Mello, the Secretary-General's former

Special Representative, for the remarkable and enormous contribution that he made to Timor-Leste and the United Nations efforts in the country.

Mr. MacKay (New Zealand): We would like, at the outset, to pay tribute to Mr. Sharma, Special Representative of the Secretary-General, to his staff and to those here at United Nations Headquarters who do such a fine job in supporting the United Nations Mission of Support in East Timor (UNMISET). Their hard work, and the commitment and leadership shown by Timor-Leste, will be critical factors in achieving progress in the final months of UNMISET's mandate.

When we look at what has been achieved in Timor-Leste at the macro level, there is much to celebrate. The United Nations should rightly feel proud of the contribution it has made to the improved stability and long-term sustainability of its newest Member State.

But decisions on the withdrawal from a country that has been host to a substantial United Nations presence must be made on the basis of careful and well-informed consideration, and backed by an appropriate level of detail. New Zealand, for its part, supports the current downsizing schedule for UNMISET, on the basis of current information, which will see that mission conclude in May 2004. But we do not believe that a total withdrawal from Timor-Leste by the United Nations at that time would be either appropriate or sustainable.

New Zealand therefore fully endorses the Secretary-General's intention to return to these issues in more detail early next year, at which time the Council can consider the form and composition of a United Nations presence after the conclusion of UNMISET's mandate. We consider some form of transitional United Nations presence — less than a traditional peacekeeping mission like UNMISET but certainly more than the standard developmental presence — to be essential and, in this respect, we note with considerable interest the Australian proposals for a follow-on United Nations mission, detailed in Ambassador Dauth's statement a short while ago.

We will rely on the Secretary-General to provide us with a frank assessment of what is required on the ground, and how best the United Nations can respond to these needs. In this respect, we welcome the indications given by Special Representative Sharma in his report to the Council earlier this morning.

We are concerned that progress in some sectors appears slow or fragile. We would welcome a particular focus on these sectors — especially policing, justice, prisons and human rights — in the Secretary-General's report early next year.

Progress in other sectors is clearly more encouraging, and news of political agreement reached between Indonesia and Timor-Leste on issues relating to the common border is very encouraging. We hope that technical agreement and implementation can follow these recent expressions of political will.

We would certainly hope to see substantial progress on border issues, as a critical milestone of UNMISET's mandate, in time for the Council's next discussion of Timor-Leste.

New Zealand shares the Secretary-General's observation that work remains to be done by the international community in Timor-Leste. We endorse his intention to provide further careful evaluation and proposals on a possible United Nations presence after the conclusion of UNMISET, and look forward to further discussion of this issue early next year.

Finally, I join others who have reflected on the memory of the late Sergio Vieira de Mello and the huge contribution which he made to Timor-Leste; of course, we fully reflect on those memories.

The President: Now I offer the floor to Ambassador Sharma, should he wish to make any further comments or observations.

Mr. Sharma: Thank you, Mr. President, for giving me this opportunity to make a few observations — very briefly, naturally.

First, I thank all delegations for their advice and guidance, which we will take into account in our work, as well as for the kind and complimentary words directed towards UNMISET and towards me. This is a great encouragement. I will communicate these sentiments to my colleagues after my return. I am convinced that the confidence expressed by the Council in the work they are doing will further galvanize them into giving even a bit more of themselves to the achievement of the goals set by the Council for UNMISET. I acknowledge, with appreciation, the commitment and solidarity of the entire team I have the honour to lead, and the spirit which they have shown in its work for the people of Timor-Leste.

I would also like to join the tribute paid to the work done by Sergio Vieira de Mello, a true friend of Timor-Leste, to whose memory we pay homage. I try to build on his pioneering contribution and on the foundations prepared by the leadership of Timor-Leste in cooperation with him.

Delegations have asked a few questions and requested clarification and information. I have noted these, and will be in touch with the delegations concerned. In view of the time, and also the need to maintain my popularity, I would like not to impose further on the Council at this moment.

The President: Thank you, Ambassador, and thank you again for joining us today. Clearly, you and your colleagues have the support of the Council.

There are no further speakers on my list. The Security Council has thus concluded the present stage of its consideration of the item on its agenda.

The meeting rose at 1.50 p.m.